Questions for the Record for Ambassador Robert E. Lighthizer

U.S. House Ways and Means Committee Hearing on U.S.-China Trade February 27, 2019

From Representative Gwen Moore to Ambassador Robert E. Lighthizer

1. How do you justify not excluding the play yard (cribettes) from the "List 3" tariffs? The distribution of play yards at cost to families that do not have access to a safe sleep environment for their babies is a critical element in the fight to reduce the incidence of Sudden Unexpected Infant Death (SUID) in families in my district and around the country. Other items that address infant safety, such as car seats, high chairs, strollers and safety helmets were exempt from the tariffs. Moreover, similar products that are less critical to the safety of infants were exempted. Curiously these cribettes were not exempted, even though placing tariffs on these items detrimentally affects US consumers because of the dearth or non-existence of alternative country sources. The best and safest place for an infant to sleep is in a crib or cribette. Understanding that, please explain how you applied your criteria for evaluating whether a product would be exclude to the cribettes. Why did the cribette fail to meet that the criteria given its critical importance in helping prevent unsafe sleep practices that may result in infant deaths and lack of alternative sources from which to acquire this product?

Answer: List 3 was finalized after full consideration of all available information, including information obtained from public comments and from the public hearing. USTR is hesitant to discuss decisions with respect to individual products in this forum, and we would welcome discussions with your staff regarding this type of product specific request.

2. Please provide the math behind your determination that the price of cribettes would increase 2-3% were they made in the U.S. Additionally, please identify any manufacturers with whom you have spoken who have indicated to you that they would resume production in the U.S. if the tariffs remain in place.

Answer: As I noted in my testimony, weaker Chinese currency over the last year has greatly mitigated the actual effect of the additional 10 percent tariff on products from China.

3. What are examples of labor and environmental standards that relate to the unfair trade practices being negotiated?

Answer: Under President Trump's leadership, the United States is committed to working toward a more fair and reciprocal trade relationship with China. In the current negotiations with China, we are seeking to address a wide range of unfair trade practices. Although we are not currently directly addressing labor and environment

standards, I am committed to working with you and other Members of Congress to discuss options and policy tools for addressing these important issues.

4. I am glad that you share my concerns about the use of conflict minerals and that trade agreements should include provisions to help prevent the use of these minerals. Many of the natural resources used to manufacture cellphones, laptops, tablets and other electronic devices originate in areas of ongoing, deadly conflict. I am concerned that Chinese manufacturers may be procuring minerals from conflict zones to produce products that are imported into the United States, thereby further undercutting the cost of their goods. I urge you to please explain what steps are being taken during the current U.S.-China trade negotiations to prevent such minerals from entering supply chains.

Answer: As I indicated during the hearing, my staff and I would be happy to work with your office to better understand the nature of the Chinese conduct at issue.

5. What are examples of non-tariff measures you're negotiating with the Chinese?

Answer: As I indicated at the hearing, we are seeking to address a number of non-tariff measures. One example involves subsidies that have unfairly impeded the ability of U.S. manufacturers, workers, and farmers to compete in China and around the globe. As another example, we are asking China to adopt and adhere to transparent, non-discriminatory and consistent requirements, including time limits, for approvals U.S. companies need to do business in China. As I mentioned in my testimony, in the agricultural biotechnology sector we see instances in China in which even after eight years, an application has not been approved and there is no indication when approval will occur. In these and other areas, we are seeking to bring China more in line with international norms.